AMENDED IN ASSEMBLY JUNE 22, 2010 AMENDED IN SENATE JANUARY 26, 2010 AMENDED IN SENATE DECEMBER 16, 2009 AMENDED IN SENATE APRIL 2, 2009

SENATE BILL

No. 771

Introduced by Senator Alquist

February 27, 2009

An act to-amend Section 14005.25 of add Section 14005.27 to the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

SB 771, as amended, Alquist. Medi-Cal:—continuous eligibility: semiannual status reports. foster children: eligibility.

Existing law establishes the federal Medicaid Program, administered by each state, California's version of which is the Medi-Cal program. The Medi-Cal program, which is administered by the State Department of Health Care Services, provides health care services to qualified low-income recipients.

This bill would, to the extent federal financial participation is available, extend Medi-Cal eligibility, including eligibility for the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program, to children who were formerly in foster care and are under 26 years of age, pursuant to prescribed provisions of federal law.

Because each county is responsible for making Medi-Cal eligibility determinations, by expanding Medi-Cal eligibility the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state.

SB 771 -2-

Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. The Medi-Cal program is partially governed and funded under federal Medicaid provisions.

Existing law, until July 1, 2012, requires the department, subject to the availability of federal financial participation, to exercise a federal option to expand continuous eligibility to children 19 years of age and younger for 6 months, after which date the continuous eligibility period shall be from the date of a determination of eligibility to the earlier of either the end of a 12-month period following the eligibility determination or the date the child exceeds 19 years of age.

Existing law provides that the provisions limiting continuous eligibility to 6 months shall be inoperative from March 27, 2009, until the date the Director of Health Care Services executes a declaration specifying that increased federal financial participation is no longer available pursuant to the federal American Recovery and Reinvestment Act of 2009 (ARRA).

This bill would, instead, provide that the provisions limiting continuous eligibility to 6 months shall be inoperative from March 27, 2009, until the date the director executes a declaration specifying that increased federal financial participation is no longer available pursuant to ARRA or any subsequent federal legislation that amends ARRA to maintain or extend increased federal financial participation for 2 calendar quarters.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no-yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 14005.27 is added to the Welfare and
- 2 Institutions Code, to read:
- 3 14005.27. (a) To the extent federal financial participation is
- 4 available, the department shall extend Medi-Cal eligibility,

-3— SB 771

1 including eligibility for the Early and Periodic Screening, 2 Diagnosis, and Treatment (EPSDT) Program, to children who 3 were formerly in foster care and are under 26 years of age, 4 pursuant to the federal Patient Protection and Affordable Care 5 Act (Public Law 111-148), as amended by the federal Health Care 6 and Education Reconciliation Act of 2010 (Public Law 111-152).

- (b) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement this section, without taking any regulatory action, by means of all-county letters or similar instructions. Thereafter, the department shall adopt regulations in accordance with the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.
 - (c) This section shall become operative January 1, 2014.
- SEC. 2. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

SECTION 1. Section 14005.25 of the Welfare and Institutions Code, as amended by Section 1 of Chapter 24 of the Third Extraordinary Session of the Statutes of 2009, is amended to read: 14005.25. (a) To the extent federal financial participation is available, the department shall exercise the option under Section 1902(e)(12) of the federal Social Security Act (42 U.S.C. Sec. 1396a(e)(12)) to extend continuous eligibility to children 19 years of age and younger. A child shall remain eligible pursuant to this subdivision from the date of a determination of eligibility for Medi-Cal benefits until the earlier of either:

- (1) The end of a 12-month period following the eligibility determination.
 - (2) The date the individual exceeds the age of 19 years.
- (b) This section shall be implemented only if, and to the extent that, federal financial participation is available.
- (e) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department shall, without taking regulatory action, implement this section by means of all county letters or similar instructions. Thereafter, the department shall adopt regulations in accordance

SB 771 —4—

with the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

- (d) In order to implement changes in the level of funding for health care services, commencing on the first day of the month following 90 days after the operative date of amendments to this section that added this subdivision, the continuous eligibility time period provided in paragraph (1) of subdivision (a) shall be reduced to six months.
- (e) (1) Subdivision (d) shall be inoperative from the date the act adding this subdivision becomes effective until the date the Director of Health Care Services executes a declaration specifying that increased federal financial participation is no longer available pursuant to the federal American Recovery and Reinvestment Act of 2009 (Public Law 111-5) or any subsequent federal legislation that amends the federal American Recovery and Reinvestment Act of 2009 to maintain or extend increased federal financial participation for two calendar quarters.
- (2) The department shall redetermine the continuous eligibility period of any child whose continuous eligibility period was determined or redetermined pursuant to subdivision (d) during the first calendar year quarter of 2009 and shall grant to that child the period of continuous eligibility provided for in subdivision (a), retroactive to the date that the determination or redetermination under subdivision (d) was made.
- (f) This section shall become inoperative on July 1, 2012, and as of January 1, 2013, is repealed, unless a later enacted statute, that is enacted before January 1, 2013, deletes or extends that date.